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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
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11 VENICE-MARIE WASHINGTON,
12 Plaintiff,
13 v.
14 WESTLAKE SERVICES, LLC, *et al.*,
15 Defendants.
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Case No. 2:23-cv-07053-FLA (BFMx)

**ORDER TO SHOW CAUSE WHY
ACTION SHOULD NOT BE
DISMISSED FOR LACK OF
SUBJECT MATTER JURISDICTION**

1 Federal courts are courts of “limited jurisdiction,” possessing only “power
2 authorized by the Constitution and statute” *Kokkonen v. Guardian Life Ins. Co. of*
3 *Am.*, 511 U.S. 375, 377 (1994); U.S. Const. art. III, § 2, cl. 1. Courts are presumed to
4 lack jurisdiction unless the contrary appears affirmatively from the record. *See*
5 *DaimlerChrysler Corp. v. Cuno*, 547 U.S. 332, 342 n. 3 (2006). Additionally, federal
6 courts have an obligation to examine jurisdiction *sua sponte* before proceeding to the
7 merits of a case. *See Ruhrgas AG v. Marathon Oil Co.*, 526 U.S. 574, 583 (1999).

8 Federal courts have jurisdiction where an action arises under federal law or
9 where each plaintiff’s citizenship is diverse from each defendant’s citizenship and the
10 amount in controversy exceeds \$75,000, exclusive of interest and costs. 28 U.S.C.
11 §§ 1331, 1332(a). A complaint filed in federal court must contain “a plausible
12 allegation that the amount in controversy exceeds the jurisdictional threshold.” *Dart*
13 *v. Cherokee Basin Operating Co., LLC v. Owens*, 574 U.S. 81, 89 (2014). Where a
14 party contests, or a court questions, a party’s allegations concerning the amount in
15 controversy, both sides shall submit proof, and the court must decide whether the
16 party asserting jurisdiction has proven the amount in controversy by a preponderance
17 of the evidence. *Id.* at 88–89; *see* Fed. R. Civ. P. 12(h)(3) (“If the court determines at
18 any time that it lacks subject-matter jurisdiction, the court must dismiss the action.”).
19 The same procedures apply when the existence of complete diversity of the parties is
20 called into question. *See, e.g., Verb Tech. Co., Inc. v. Baker & Hostetler LLP*, Case
21 No. 2:21-cv-06500-ODW (MAAx), 2021 WL 4125207 (C.D. Cal. Sept. 9, 2021).

22 The court has reviewed the Complaint, Dkt. 1, and the First Amended
23 Complaint, Dkt. 13, and is presently unable to conclude it has subject matter
24 jurisdiction over this action under 28 U.S.C. § 1332(a). In particular, and without
25 limitation, the court finds the allegations do not demonstrate by a preponderance of
26 the evidence that the amount in controversy exceeds \$75,000. For example, Plaintiff
27 alleges that she is owed \$25,000 for lost wages based on her inability to complete a
28 contract but provides no evidence or explanation therefor, that repairs to her vehicle

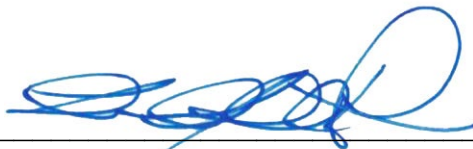
1 are “estimated” to be \$10,000 but provides no evidence or explanation therefor, that
2 Defendants are responsible for her missing “personal and business items” which are
3 “estimated to be \$35,000” but does not describe those items or provide evidence
4 supporting their purported worth, and that she is owed \$35,000 for her time and
5 energy at a rate of \$10,000 per hour for 35 hours but provides no support that her time
6 is valued at \$10,000 per hour. Dkt. 1 at 3. The First Amended Complaint does not
7 contain any allegations regarding specific damages. Dkt. 13.

8 Accordingly, the parties are ORDERED to SHOW CAUSE, in writing only,
9 within fourteen (14) days from the date of this Order, why this action should not be
10 dismissed for lack of subject matter jurisdiction. The parties are encouraged to submit
11 evidence and/or judicially noticeable facts in response to the court’s Order.
12 Responses shall be limited to ten (10) pages in length. The parties should consider
13 this Order to be a two-pronged inquiry into the facial and factual sufficiency of
14 Plaintiff’s demonstration of jurisdiction. *See Leite v. Crane Co.*, 749 F.3d 1117, 1122
15 (9th Cir. 2014).

16 As Plaintiff is the party asserting federal jurisdiction, Plaintiff’s failure to
17 respond timely and adequately to this Order shall result in dismissal of the action
18 without further notice.

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20 IT IS SO ORDERED.

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22 Dated: April 23, 2024

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25 FERNANDO L. AENLLE-ROCHA
26 United States District Judge
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